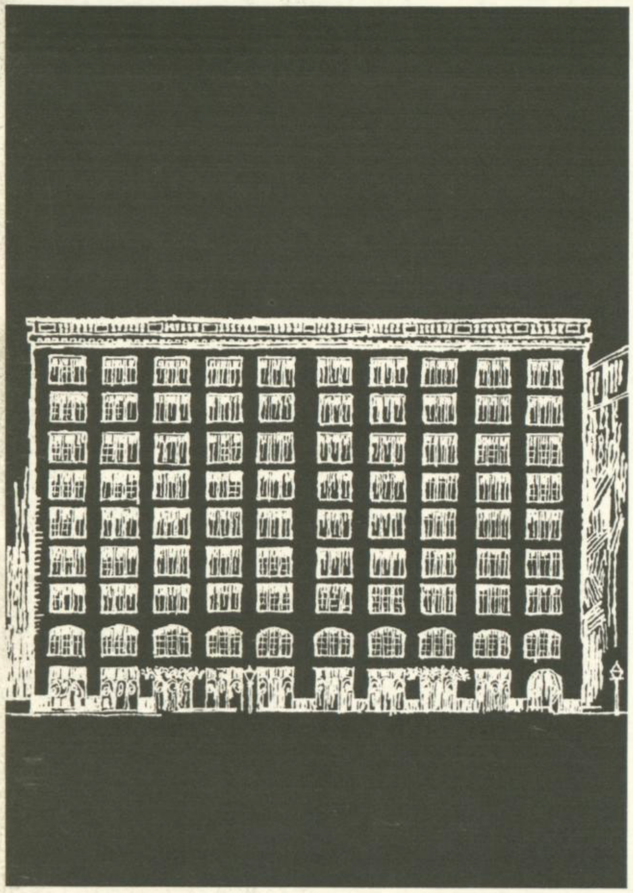
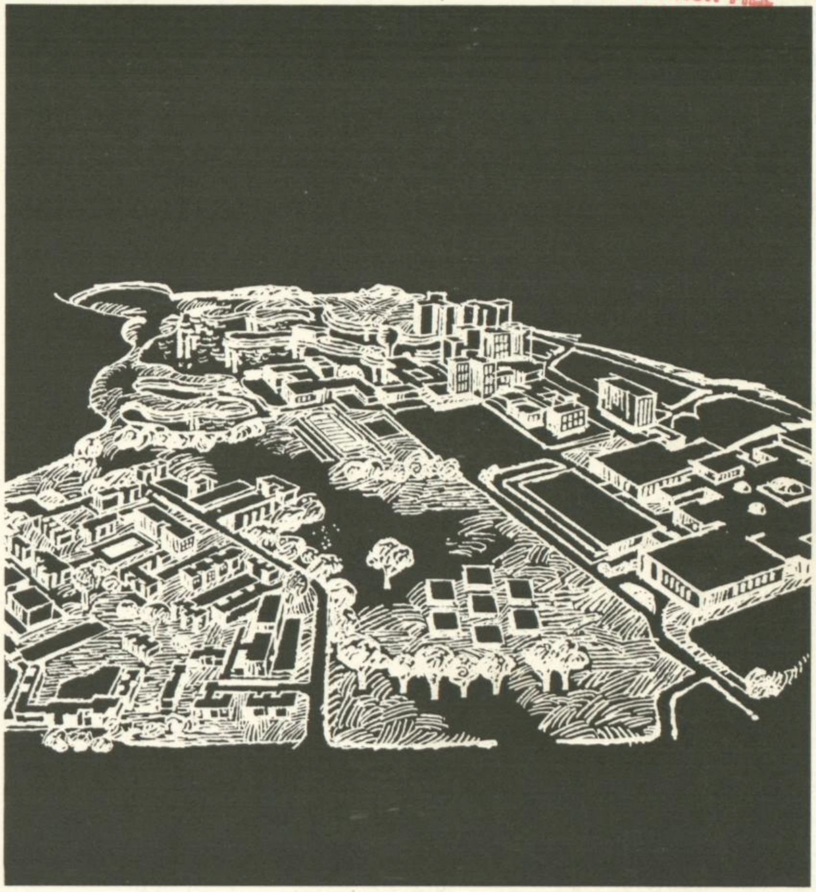
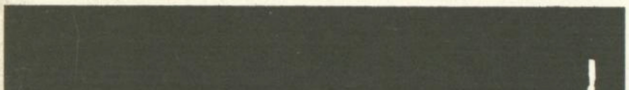
CORPORATION FILE







MARSHALL FIELD & COMPANY ANNUAL REPORT 1970

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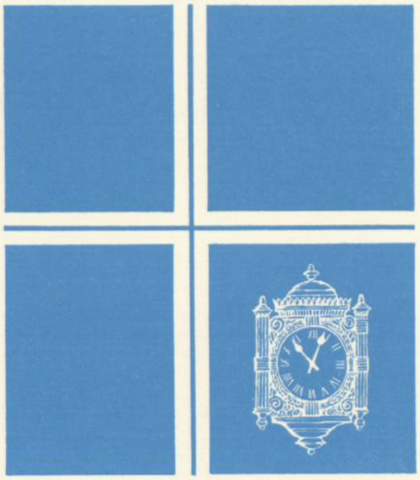
Marshall Field & Company

FOUNDED IN 1852 A DELAWARE CORPORATION
EXECUTIVE OFFICES 111 NORTH STATE STREET CHICAGO, ILLINOIS 60690

ANNUAL REPORT TO STOCKHOLDERS

FOR THE YEAR ENDED JANUARY 31, 1971



THE STORY IN BRIEF

(in thousands of dollars)

	Fiscal Year	
	1970(1)	1969
Net Sales	$401,883	$402,507
Income before Income Taxes	32,168	37,005
Net Income	16,079	17,557
Per Common Share	1.82	2.01
Dividends Declared	9,746	9,533
Per Common Share	1.10	1.10
Net Income Retained	6,333	8,024
Accounts Receivable	81,859	63,963
Merchandise Inventories	73,732	65,632
Working Capital	102,224	101,826
Capital Expenditures—		
Modernization and Replacement	3,587	3,116
Expansion	6,208	2,828
Depreciation	6,070	5,923
Common Stockholders' Equity	183,257	170,445
Per Common Share	20.09	19.51

(1) As the result of The Halle Brothers Company merger effective November 30, 1970, includes operating results of Halle's for the two months ended January 31, 1971 and its assets and liabilities as of that date in accordance with purchase accounting.

PRESIDENT'S LETTER

March 26, 1971

To the Stockholders,

Net sales of the Company for the fiscal year ended January 31, 1971, were $401,883,000 compared with $402,507,000 the prior year. The 1970 figure includes The Halle Brothers Company for December and January, following the merger of that company into a subsidiary of Marshall Field & Company. Excluding Halle's from the comparison, volume declined 3.9 per cent.

Net income for 1970 was $16,079,000, a decline of $1,478,000, or 8.4 per cent. The Halle operation had no material effect on the year's results. Earnings per share were $1.82 in 1970 and $2.01 in 1969.

During the past year the nation experienced a slowing down in business more severe than generally anticipated. Although consumer disposable income increased, the climate of economic uncertainty and the effects of continuing price inflation caused prudent use by the consumer of credit and cash resources throughout the year. The Company's profit performance reflected this consumer attitude as did the department store industry overall.

Operating results varied among the divisions of your Company. The Frederick & Nelson Division finished the year with a relatively good profit showing, despite a severe decline in employment and business activity in the Seattle area. In Spokane, sales of The Crescent were supported by the addition of a new outlying store opened at mid-year. The Chicago Stores Division experienced lower sales throughout most of the year but had record sales and profit for the holiday shopping season, aided by the Sunday openings of several outlying stores.

During the year, there were three significant developments in our expansion program:

First, the Company, through its Mafco, Inc. subsidiary, in a joint venture with Urban Investment and Development Co., secured a site on Chicago's North Michigan Avenue and announced plans for an innovative urban center. This project will present a vertical shopping mall featuring a Marshall Field & Company store. In addition there will be commercial and office facilities and an apartment tower. Through this new concept of an "in town" center, the Company will offer a shopping opportunity that uniquely complements our world-famous State Street store.

Second, a proposed quarter-billion-dollar land development was announced to create a new town in Lake County, north of Chicago, as a joint venture by Mafco, Sears, Roebuck and Co. and Urban. Mafco and Urban initially will construct a regional commercial center, including major Field's and Sears stores. The three companies then will develop a completely planned community for a population of 15,000. This project has been described as one of the most distinctive and comprehensive ventures of its kind and, for the first time, involves your Company in a major land development project.

Third, the merger of The Halle Brothers Company into a Marshall Field & Company subsidiary brought that well-established quality firm into our operation. Halle's has nine stores serving Cleveland, Akron and Canton, Ohio, and Erie, Pennsylvania. In 1969 their total sales were about $70,000,000. This merger extends the scope of your Company, strengthens its market position and provides important areas for further growth.

This fall the Chicago Stores Division will open its new Woodfield Mall shopping center store, serving the city's northwest suburban area. Woodfield will feature the largest enclosed mall in the country, and our store will exceed 300,000 square feet.

At the annual meeting of stockholders, Mr. Joseph A. Burnham, executive vice president, was elected a director, increasing the number of directors to eleven. A number of corporate and divisional executive personnel and organizational changes were made at the end of the year to provide greater flexibility and efficiency in management. They are detailed in a subsequent section of this report.

The outlook for this year appears favorable. The economy is expected to renew its growth. The consumer's improved credit and cash position provides a sound base for increased business activity. When the consumer attitude changes to one of greater confidence, the rise in spending should be dramatic. The timing of such a change is uncertain and will in large measure determine the character of the Company's 1971 results.

Throughout the past year we were encouraged by the continued support of our customers, the cooperation of suppliers and the dedicated efforts of our employes. We believe the future growth and expansion we see for Marshall Field & Company is firmly rooted in these long-standing and gratifying relationships.

By Order of the Board of Directors,

G. A. Sivage

President

1970 IN REVIEW

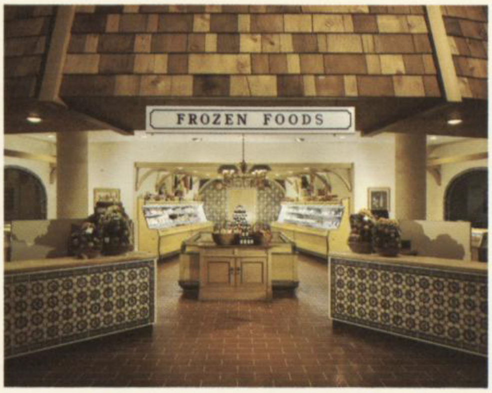
The merger with The Halle Brothers Company was effective November 30, 1970 under the purchase method of accounting. Financial information in this report therefore only includes Halle's operating results for December and January and its assets and liabilities at January 31, 1971.

Income before Taxes was $32,168,000, compared with a record $37,005,000 in 1969. This reduction was attributable to a 3.9 per cent decrease in sales excluding Halle's, reflecting general business conditions. As a result of effective control of costs throughout 1970, expenses excluding Halle's were slightly below the prior year.

Net Income of $16,079,000 was 8.4 per cent less than 1969's near-record earnings. Benefit to 1970 from the lower Federal surtax was partly offset by the effect for a full year of the Illinois state income tax enacted in mid-1969. Net income included about $150,000 in both 1970 and 1969 for amortization of investment credit over the depreciable life of the related equipment.

Finances of the Company continue strong and permitted payment of all of Halle's short-term bank loans before the end of January 1971. This accounts for the decrease of about $12,400,000 in

GOURMET FOODS



Completely remodeled last year in the State Street store were the famous 28 Shop (top) on Six, the Food division (middle) on Seven, and the Budget Floor Women's Shoes.

short-term investments during the year. Increases in receivables, inventories, property and equipment, and long-term debt in the latest year-end balance sheet primarily reflect the Halle merger. Minimum annual rent obligations under long-term leases are currently $2,190,000. It is expected that seasonal bank loans will be the only financing needed during the coming year.

Capital Expenditures in 1970 included substantial outlays for the new Woodfield Mall and University City stores in suburbs of Chicago and Spokane, and amounted to $9,795,000 compared to $5,944,000 in 1969. They are estimated at $12,000,000 for 1971, including completion of Woodfield.

ADMINISTRATIVE CHANGES

Corporate changes were: Mr. Joseph A. Burnham, executive vice president-operations, with all store divisions reporting to him; Mr. David W. Davidson, executive vice president-merchandise planning; and Mr. George G. Rinder, executive vice president-finance.

In addition, Mr. Charles W. Folds was named senior vice president-merchandise planning, reporting to Mr. Davidson; and Mrs. Cathryn H. Nolan was appointed an assistant secretary of the Company.

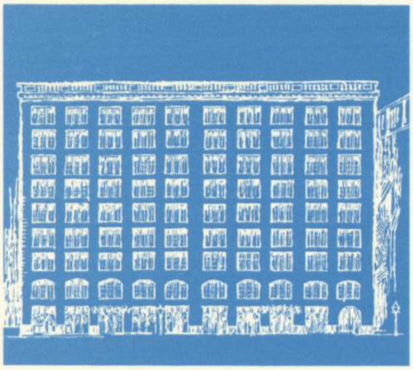
In the Chicago Stores Division, Mr. Arthur E. Osborne, Jr., was named vice president and general manager, and Mr. John W. Baschen was appointed vice president and general merchandise manager.

In addition, Mr. Edmund J. Doering was named vice president, merchandising, Apparel; Mr. Robert R. Hoffman, vice president, merchandising, Home Accessories; Mr. W. Thomas Poyer, vice president, merchandising, Store for Men; Mr. Robert M. Rasmussen, vice president, merchandising, Budget Floor; and Mr. Reed F. Taylor, vice president, merchandising, Mayfair store.

In the Frederick & Nelson Division, Mr. Robert L. Paterson was appointed vice president and general manager, succeeding Mr. Davidson.

Mr. H. William Bacon was appointed vice president and general manager of The Crescent, succeeding Mr. Paterson.

The Halle Bros. Co.



HALLE'S

The Halle Brothers Company, a long-established retailing firm with a reputation for quality and service, was merged into a subsidiary of Marshall Field & Company on November 30, 1970.

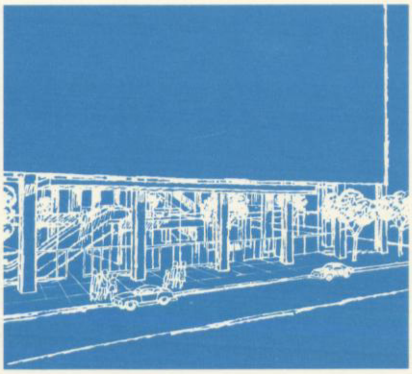
Halle brings to Marshall Field & Company a national reputation for fashion leadership, quality merchandise and service.

The firm is headed by Mr. Walter M. Halle and his son Chisholm, descendants of the Halles who founded the company in 1891.

Halle's has nine stores, five in the metropolitan Cleveland area; one in Fairlawn Village, a suburb of Akron, Ohio; one in suburban Canton, Ohio; and two in Erie, Pennsylvania. Six of these nine stores are located in major shopping centers.

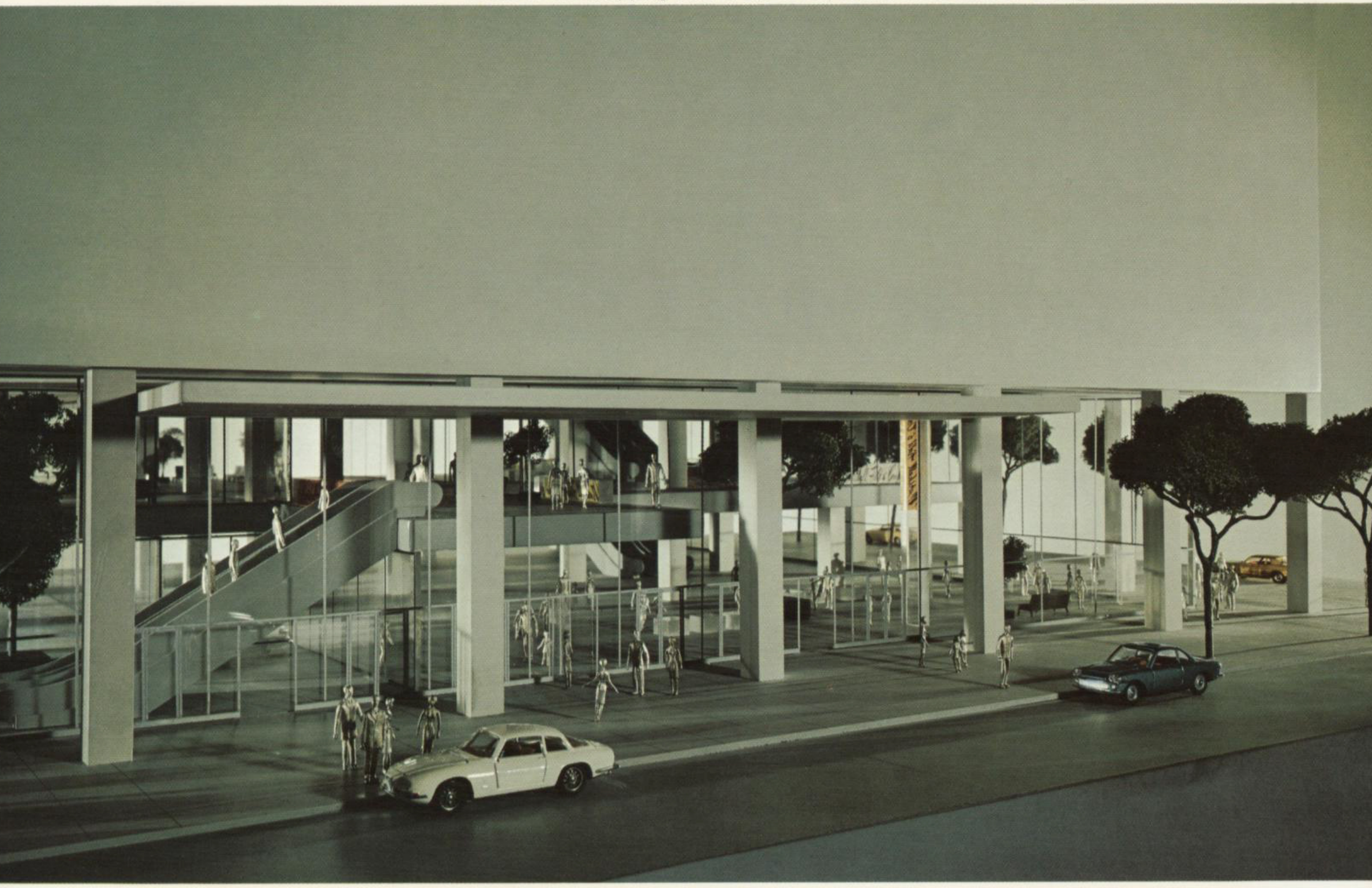
Shown are some views of Halle's stores.

Views of a sampling of Halle's stores include the downtown store (above), the Summit Mall shopping center store (top left), Southland shopping center store (lower left), and the Westgate shopping center store (below).



NORTH MICHIGAN AVENUE

Model of the shopping mall of the urban center to be built on Chicago's North Michigan Avenue.



Announcement of a $60 million urban center featuring a Marshall Field & Company store was made in July for a site on Chicago's North Michigan Avenue.

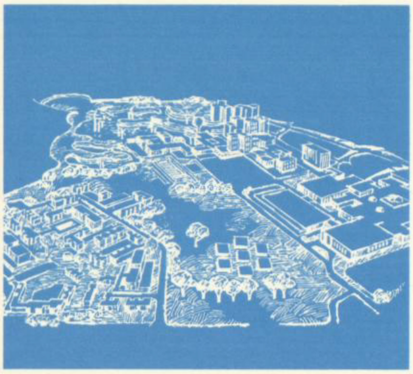
Plans for the center include one or more buildings totaling approximately 1,400,000 square feet to house a multi-level glass-enclosed mall of shops, including a 150,000-square-foot Field's store; enclosed parking; a high-rise office building; and apartment tower.

This project will be a joint venture of Mafco, Inc., a subsidiary of Marshall Field & Company, and Urban Investment and Development Co., a subsidiary of Aetna Life & Casualty Company.

The site has been described as one of the most remarkable locations in Chicago. It is situated on the east side of North Michigan Avenue and stands between two Chicago landmarks, the John Hancock Center to the north and the Water Tower to the south.

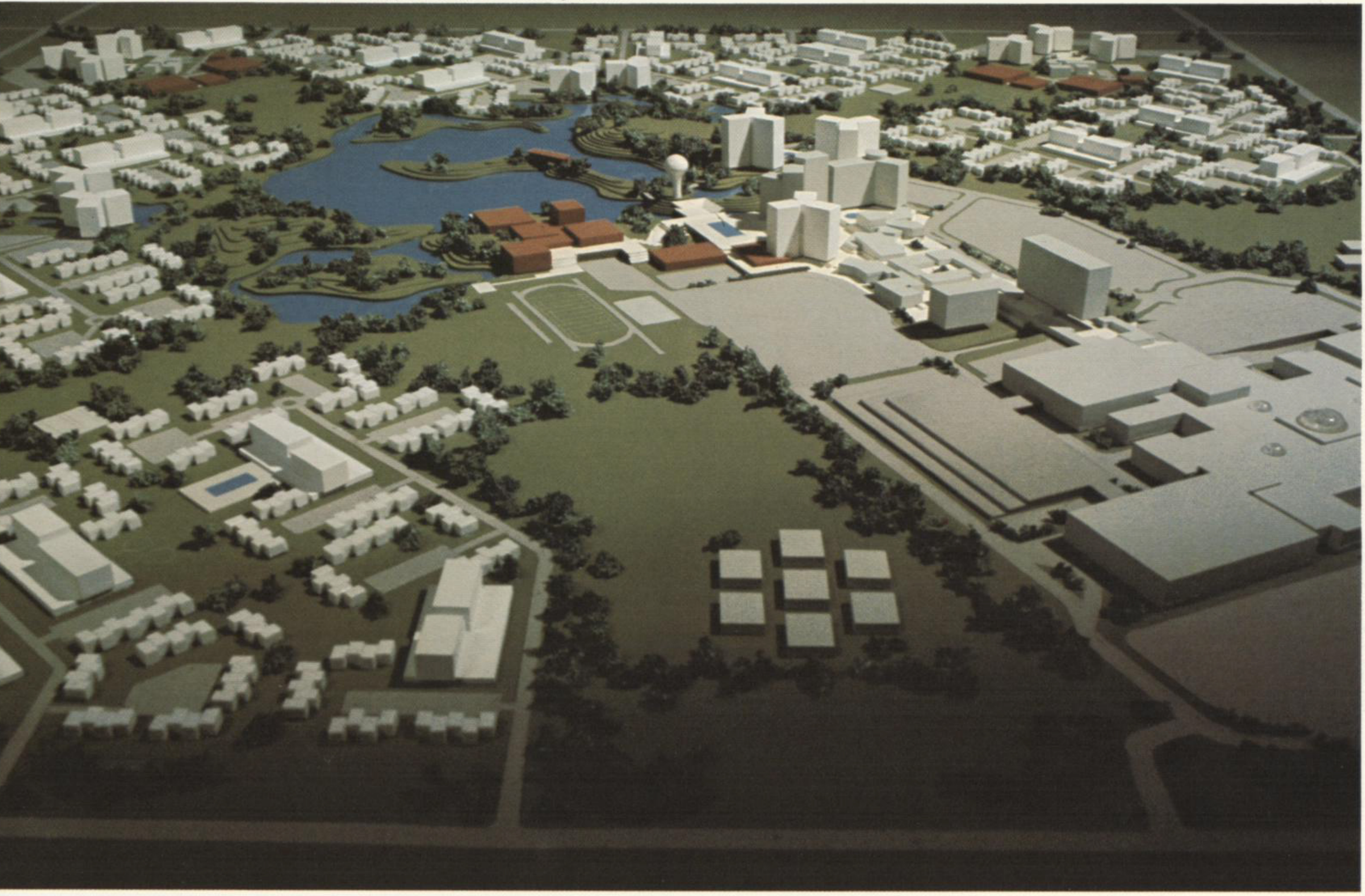
This unique urban center will serve the growing market that has developed on Chicago's near north side. Field's new Michigan Avenue store will offer a distinctive marketplace for high fashion, fine quality and luxury merchandise.

The new store will enjoy a unique relationship with the State Street store, the Company's major retail facility. With its great selection of quality merchandise and its broad services, the State Street store will provide unmatched support for the Michigan Avenue store. In addition, the Michigan Avenue store will offer merchandising innovations and services of its own.



NEW CENTURY TOWN

Architect's rendering of the prototype for New Century Town.



A quarter-billion-dollar land development to create a new town north of Chicago was announced in July by Mafco, Inc., a subsidiary of Marshall Field & Company; Sears, Roebuck and Co.; and Urban Investment and Development Co.

The 590-acre town will be built in Lake County some 30 miles north of Chicago's Loop.

The new town will be built in two stages: Mafco and Urban first will build the shopping center which will include large Field's and Sears stores, and then a regional town center with complete residential, cultural, school, entertainment and recreational facilities will be developed by the three co-venturers.

One of the most significant land developments anywhere, this project will provide housing for some 15,000 residents in neighborhood townhouses, low-rise apartment buildings and central high-rise buildings.

NEW STORES

During the past year, new outlying stores were added to The Crescent and The Halle Brothers Company.

In August, The Crescent, serving Spokane, Washington, opened its second outlying store, in the University City shopping center.

The two-story, 104,000-square-foot brick building is a complete department store.

The mall level features women's apparel and accessories, men's clothing and furnishings, as well as candy and a gourmet shop.

Children's departments, home furnishings and accessories, gift items and the beauty salon are located on the upper level.

A distinguishing feature of the new store is the centrally-located escalator well with a three-story skylight. An abstract sculpture rises from the center of the well.

In addition to its downtown Spokane store, The Crescent also has an outlying store at the Northtown shopping center.

Last fall, The Halle Brothers Company opened its seventh suburban store, in the Belden Village shopping center in suburban Canton, Ohio.

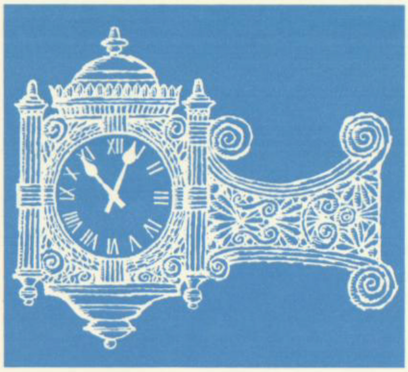
This attractive 52,000-square-foot unit is a specialty store with a separate area for men's clothing and furnishings.

Halle's new Belden Village shopping center store opened in October.

THE CRESCENT
UNIVERSITY CITY

The Crescent's new University City shopping center store opened in August.

WOODFIELD MALL



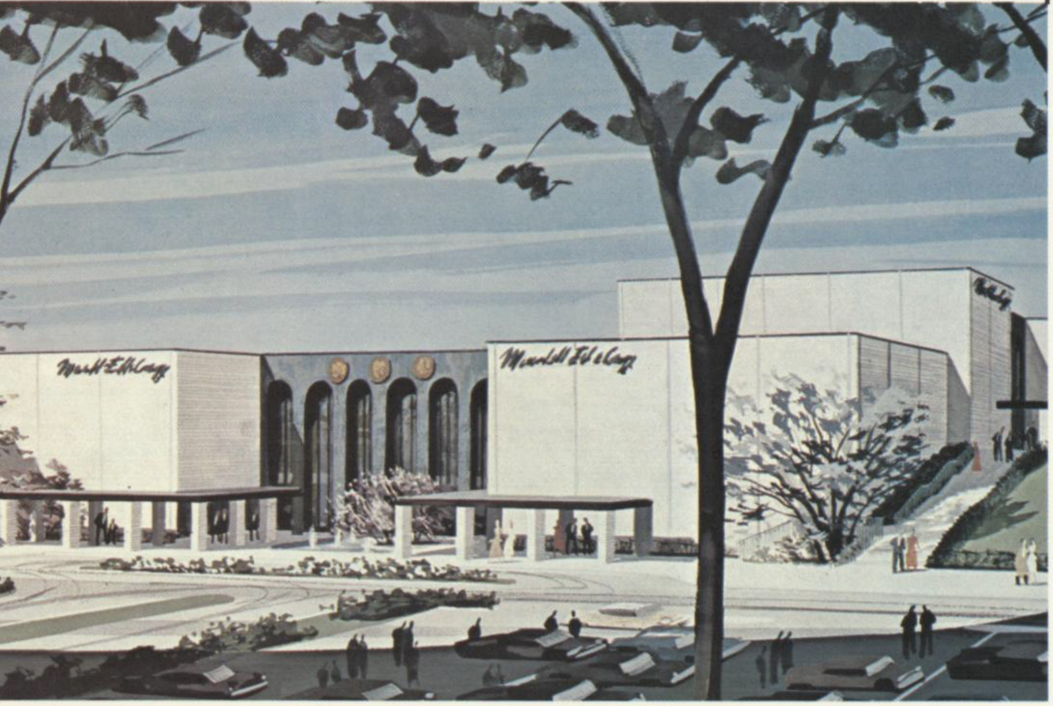
This year the Company's expansion program will see the opening of a new 330,000-square-foot store in the Woodfield Mall shopping center, serving Chicago's northwest suburban area.

Woodfield Mall in Schaumburg, Illinois, will be the country's largest enclosed mall shopping center. Sears, Roebuck and Co. and J. C. Penney Company, Inc. will also have major stores in the center.

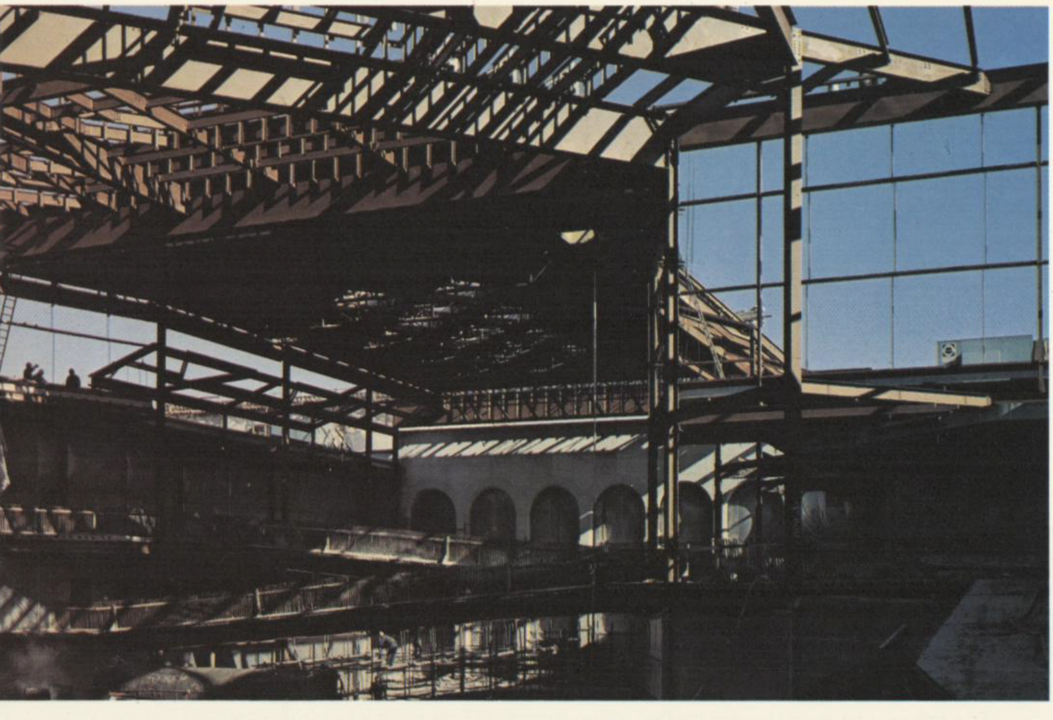
Field's store occupies the central location in the shopping center. This position enables the store to have two mall entrances, one on the first level and another on the second level, and three outside entrances, two on the ground level and one on the second floor.

The store will have two upper floors and a Budget Floor. The first floor will offer women's apparel and accessories, apparel and furnishings for men, and a selection of gift items. Home furnishings and accessories and children's wear will be located on the second floor. Additional features will include a restaurant and beauty salon.

The Woodfield store will be Field's ninth suburban store in the Chicago Stores Division.



Architect's drawing (above) shows Field's new Woodfield Mall store. Construction is shown below.



MARSHALL FIELD & COMPANY
CONSOLIDATED INCOME STATEMENT

	Fiscal Year Ended	
	January 31, 1971	January 31, 1970
Net Sales	$401,882,833	$402,506,707
Deduct:		
Cost of goods sold and expenses, exclusive of items listed below	$347,478,258	$344,421,053
Maintenance and repairs	3,575,170	3,463,211
Depreciation (straight-line method)	6,069,561	5,922,906
Taxes other than income taxes	10,929,164	10,408,123
Rentals paid	1,888,004	1,652,285
Net interest expense (income)	(225,593)	(365,832)
Total costs (note 6)	$369,714,564	$365,501,746
Income before Income Taxes	$ 32,168,269	$ 37,004,961
Income taxes (including net deferred taxes of $2,462,000 and $998,000, respectively)	16,089,000	19,448,000
Net Income	$ 16,079,269	$ 17,556,961
Net Income per Common Share	$ 1.82	$ 2.01

See notes to financial statements on page 19.

EARNED SURPLUS

	Fiscal Year Ended January 31, 1971	Fiscal Year Ended January 31, 1970
Balance at beginning of year	$139,493,089	$131,468,988
Net income	16,079,269	17,556,961
	$155,572,358	$149,025,949
Cash dividends declared on:		
Cumulative preferred stock—		
Series A, $.60 per share (one quarter)	$ 13,031	$ —
Series B, $.75 per share (one quarter)	15,300	—
Common stock—$1.10 per share in each year	9,717,584	9,295,220
Stock of pooled companies prior to merger	—	237,640
	$ 9,745,915	$ 9,532,860
Balance at end of year	$145,826,443	$139,493,089

PAID-IN SURPLUS

	January 31, 1971	January 31, 1970
Balance at beginning of year	$ 8,904,669	$ 8,947,594
Excess of fair market value over par value of stock issued in acquisition	8,605,838	—
Excess of stated value over par value of common stock converted from no par value to par value	13,735,920	—
Excess of cost over par value of Series A and B preferred stock purchased and retired	(30,991)	—
Expenses of poolings of interests	—	(42,925)
Balance at end of year	$ 31,215,436	$ 8,904,669

See notes to financial statements on page 19.

MARSHALL FIELD & COMPANY
CONSOLIDATED BALANCE SHEET

ASSETS

	January 31, 1971	January 31, 1970
Current Assets:		
Cash	$ 9,075,548	$ 7,580,219
Short-term investments, at cost	482,076	12,907,611
Receivables from customers and others, less allowance for doubtful accounts of $1,512,300 and $1,151,000, respectively	81,858,620	63,963,033
Merchandise inventories (note 2)	73,732,240	65,632,469
Prepaid insurance, supply inventories, etc.	2,962,596	1,671,296
Total Current Assets	$168,111,080	$151,754,628
Investment in Real Estate Ventures (note 3)	$ 7,345,409	$ —
Property and Equipment (at cost):		
Land	$ 23,105,480	$ 20,809,788
Buildings	104,094,856	93,203,119
Equipment	44,825,066	40,657,847
	$172,025,402	$154,670,754
Less accumulated depreciation	66,237,452	62,551,528
Net Property and Equipment	$105,787,950	$ 92,119,226
	$281,244,439	$243,873,854

See notes to financial statements on page 19.

LIABILITIES

	January 31, 1971	January 31, 1970
Current Liabilities:		
Accounts payable	$ 17,466,068	$ 14,191,818
Accrued income taxes—		
Current	6,195,079	6,256,276
Deferred (net), including deferral for income on uncollected installment sales	8,307,902	5,845,455
Other accrued liabilities	33,172,959	23,635,186
Current maturities of long-term debt	745,565	—
Total Current Liabilities	$ 65,887,573	$ 49,928,735
Long-Term Debt, less current maturities (note 4)	$ 29,910,559	$ 23,500,000
Stockholders' Equity:		
Preferred Stock—		
Authorized 1,000,000 shares of $1 par value, issuable in series; issued at par value:		
Series A, $2.40 cumulative; $52 per share redemption and liquidation value (aggregate $1,128,712); 21,706 shares (note 1)	$ 21,706	$ —
Series B, $3.00 cumulative; $52 per share redemption and liquidation value (aggregate $1,060,800); 20,400 shares (note 1)	20,400	—
Common Stock—		
Authorized 20,000,000 shares of $1 par value; 9,154,971 shares issued at January 31, 1971, at par value (notes 1 and 5)	9,154,971	22,493,758
Paid-in Surplus	31,215,436	8,904,669
Earned Surplus ($105,743,549 available for dividends on common stock under terms of long-term debt)	145,826,443	139,493,089
	$186,238,956	$170,891,516
Less 32,706 and 19,700 treasury common shares, respectively, at cost	792,649	446,397
Total Stockholders' Equity	$185,446,307	$170,445,119
	$281,244,439	$243,873,854

MARSHALL FIELD & COMPANY
SOURCE AND DISPOSITION OF FUNDS

	Fiscal Year Ended	
	January 31, 1971	January 31, 1970
Source of Funds:		
Net income	$ 16,079,269	$ 17,556,961
Depreciation	6,069,561	5,922,906
	$ 22,148,830	$ 23,479,867
Stock issued in acquisition of The Halle Brothers Company	9,045,690	—
Sales of common stock under options	—	83,889
Miscellaneous	102,870	21,261
	$ 31,297,390	$ 23,585,017
Disposition of Funds:		
Purchase of property and equipment of The Halle Brothers Company, less assumed long-term debt of $6,639,628	$ 3,406,135	$ —
Investment in real estate ventures	7,345,409	—
Additions to property and equipment	9,795,393	5,944,314
Dividends to stockholders	9,745,915	9,532,860
Purchases of common stock	346,252	446,397
Retirement of preferred stock	31,603	—
Decrease in long-term debt	229,069	100,000
Miscellaneous	—	42,925
	$ 30,899,776	$ 16,066,496
Increase in Working Capital	$ 397,614	$ 7,518,521

See notes to financial statements on page 19.

AUDITORS' REPORT

To the Stockholders of Marshall Field & Company:

We have examined the consolidated balance sheet of Marshall Field & Company (a Delaware corporation) and subsidiaries as of January 31, 1971, and the related statements of income, earned surplus, paid-in surplus, and source and disposition of funds for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We have previously examined and reported on the financial statements for the preceding year.

In our opinion, the accompanying consolidated balance sheet and statements of income, earned surplus, paid-in surplus, and source and disposition of funds present fairly the financial position of Marshall Field & Company and subsidiaries as of January 31, 1971, and the results of their operations and the source and disposition of their funds for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Chicago, Illinois
March 5, 1971

ARTHUR ANDERSEN & CO.

NOTES TO FINANCIAL STATEMENTS

(1) On November 30, 1970, the Company, through a subsidiary, acquired all of the outstanding common and preferred shares of The Halle Brothers Company in exchange for the following shares of Marshall Field & Company:

397,133 common shares
21,719 Series A preferred shares
21,000 Series B preferred shares

This merger has been accounted for as a purchase. The shares issued have been recorded at their fair market value of $9,045,690 on June 24, 1970, the date that an agreement in principle was reached. The par value of $1 per share has been credited to the respective capital stock accounts and the balance of the $9,045,690 purchase price to paid-in surplus. Assets and liabilities of Halle are reflected at their fair value as determined by the purchase price. The accompanying consolidated financial statements include the results of operations of Halle for the two months ended January 31, 1971 and its assets and liabilities as of that date.

(2) Merchandise inventories are stated at the lower of cost or market as determined by the retail method applied on a first-in, first-out basis, except for 18% and 6% at January 31, 1971 and 1970, respectively, which are stated at last-in, first-out cost, not in excess of market.

(3) The Company's wholly-owned subsidiary Mafco, Inc., has entered into a joint venture to construct an urban center on land acquired on North Michigan Avenue in Chicago. The project will include a specialty store to be leased to the Company, shops, offices, and apartments. Mafco's investment in the venture is expected to exceed $5,000,000.

Mafco is a participant in two other joint ventures to develop north of Chicago a large regional shopping center, including a department store to be owned by the Company, and a new town including residential neighborhoods and supporting community facilities. Mafco's investment in the ventures is expected to exceed $2,500,000.

All of these ventures intend to finance most of the costs of the projects with borrowed funds.

(4) Long-term debt consists of:

	January 31	
	1971	1970
3¾% notes, payable $800,000 annually in 1972-1981 and $15,000,000 in 1982	$23,000,000	$23,000,000
8% mortgage, payable quarterly to 1995	2,840,988	—
4% mortgage bonds, payable semi-annually to 1975	1,842,000	—
5½% note, payable quarterly to 1986	1,627,571	—
5½% mortgage, payable semi-annually to 1977	300,000	—
5% note, maturing in 1972	300,000	500,000
	$29,910,559	$23,500,000

(5) On May 15, 1970, in accordance with the Agreement and Plan of Merger changing the Company's state of incorporation from Illinois to Delaware as approved by stockholders on May 6, 1970, all of the 8,757,838 issued common shares were converted from no par value to a par value of $1 per share and the excess of stated value over par value in the amount of $13,735,920 was transferred from the common stock account to paid-in surplus.

(6) Total costs as reported to the Securities and Exchange Commission are classified as follows:

	Fiscal Year	
	1970	1969
Cost of goods sold, buying and occupancy expenses	$283,525,944	$281,895,553
Selling, general and administrative expenses	86,414,213	83,972,025
Net interest expense (income)	(225,593)	(365,832)
	$369,714,564	$365,501,746

(7) The retirement plans cover, subject to certain length-of-service requirements, substantially all full-time employes. It is the Company's present policy to charge income annually with the cost of pensions earned by employes during the year. With respect to the plan covering most employes, this charge is increased by interest on unfunded pension liability or decreased by amortization over a 20-year period of the excess of trust fund assets over pension liability, whichever is applicable. Retirement plan expense for the current year was $2,930,000. The present policy is to fund currently each year's total expense.

MARSHALL FIELD & COMPANY TEN YEAR SUMMARY

(in thousands of dollars)

Fiscal Year	1970	1969	1968
Operating Results			
Net Sales	$401,883	$402,507	$386,287
Income before Income Taxes	32,168	37,005	35,255
Per cent of Sales	8.0	9.2	9.1
Income Taxes	16,089	19,448	18,007
Net Income	16,079	17,557	17,248
Per cent of Sales	4.0	4.4	4.5
Per Common Share (3)	1.82	2.01	1.97
Dividends Declared—			
Preferred Stock	28	—	—
Common Stock	9,718	9,533	8,484
Per Common Share (3)	1.10	1.10	1.00
Net Income Retained	6,333	8,024	8,763
Capital Expenditures—			
Modernization and Replacement	3,587	3,116	3,658
Expansion	6,208	2,828	7,059
Total	9,795	5,944	10,717
Depreciation	6,070	5,923	5,833
Financial Position			
Accounts Receivable	$ 81,859	$ 63,963	$ 60,699
Merchandise Inventories	73,732	65,632	61,218
Working Capital	102,224	101,826	94,307
Net Property and Equipment	105,788	92,119	92,119
Long-Term Debt	29,911	23,500	23,600
Common Stockholders' Equity	183,257	170,445	162,826
Per Common Share (3)	20.09	19.51	18.61

Notes:

(1) 1970 operating results include The Halle Brothers Company for the two months ended January 31, 1971 in accordance with purchase accounting. Financial position at the end of 1970 reflects the Halle merger.

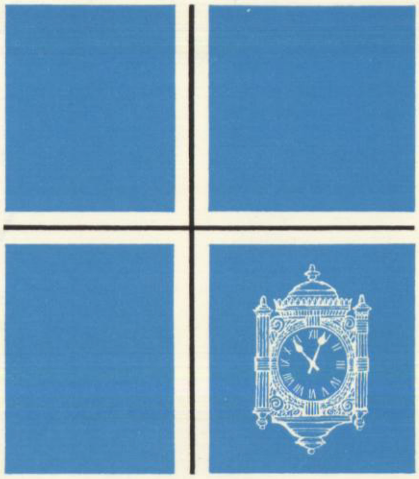
(2) 1968 and prior years have been restated to include The Crescent in accordance with pooling of interests accounting.

(3) Adjusted to reflect two-for-one stock split effective May 14, 1969.

(4) Excludes extraordinary item of net gain on land sale of $2,250,000 equivalent to 26 cents per common share.

(5) At the end of 1964 and 1961 accounts receivable were decreased approximately $12,500,000 and $2,700,000, respectively, as the result of the sale of all installment receivables pursuant to adoption of the installment method of tax accounting by Marshall Field & Company in 1965 and The Crescent in 1962.

1967	1966	1965	1964	1963	1962	1961
$371,025	$349,217	$329,100	$301,939	$277,282	$262,197	$254,840
33,329	31,682	30,083	26,035	20,227	19,560	19,767
9.0	9.1	9.1	8.6	7.3	7.5	7.8
15,653	14,971	14,273	12,742	10,273	9,875	9,952
17,676	16,710	15,810	13,292	9,953(4)	9,685	9,815
4.8	4.8	4.8	4.4	3.6	3.7	3.9
2.01	1.91	1.81	1.53	1.15(4)	1.12	1.14
—	—	—	—	—	41	199
8,441	8,434	7,771	6,924	6,292	5,879	5,828
1.00	1.00	.92½	.82½	.75	.70	.70
9,235	8,276	8,038	6,368	3,662(4)	3,765	3,788
3,647	2,920	3,214	3,289	2,206	2,277	2,089
5,730	7,253	6,273	1,759	4,377	5,686	6,990
9,377	10,173	9,487	5,048	6,583	7,963	9,079
5,639	5,278	5,303	5,127	4,915	4,671	4,381
$ 56,867	$ 52,816	$ 48,943	$ 31,508(5)	$ 39,595	$ 35,113	$ 30,734(5)
59,699	55,843	50,322	46,385	41,493	38,574	37,091
90,490	84,494	80,982	77,852	72,046	68,123	73,331
87,806	84,394	79,645	75,462	75,770	74,650	71,445
23,700	23,800	23,900	25,000	26,100	27,200	28,200
154,596	145,088	136,728	128,314	121,716	115,573	111,888
17.59	16.54	15.60	14.70	13.98	13.31	12.90



BOARD OF DIRECTORS

HARRY O. BERCHER
EDWARD McC. BLAIR
JOHN M. BUDD
JOSEPH A. BURNHAM
DAVID W. DAVIDSON
HUGHSTON M. McBAIN
JOHN McKINLAY
HOWARD M. PACKARD
JAMES L. PALMER
JOHN M. SIMPSON
GERALD A. SIVAGE

CORPORATE OFFICERS

GERALD A. SIVAGE	President
JOSEPH A. BURNHAM	Executive Vice President—Operations
DAVID W. DAVIDSON	Executive Vice President—Merchandise Planning
GEORGE G. RINDER	Executive Vice President—Finance
CHARLES W. FOLDS	Senior Vice President—Merchandise Planning
RALPH E. BOWERS	Vice President and Secretary
CHARLES DUNLOP	Vice President and Comptroller
DONALD K. KEITH	Vice President—Development
HOWARD S. ALLEN	Assistant Comptroller—Taxes
EDWIN C. PARKER	Assistant Treasurer
ROBERT A. WILBRANDT	Assistant Secretary
CATHRYN H. NOLAN	Assistant Secretary

OFFICERS OF DIVISIONS AND SUBSIDIARIES

Chicago Stores Division

ARTHUR E. OSBORNE, JR.	Vice President and General Manager
JOHN W. BASCHEN	Vice President and General Merchandise Manager
EINAR L. BJORKLUND	Vice President, Merchandising
ARTHUR D. BRADBURY	Vice President, Merchandising
LEONARD R. CAPULLI	Vice President, Merchandising
GEORGE L. CERNY	Vice President, Merchandising
EDMUND J. DOERING	Vice President, Merchandising
CARL D. GULDAGER	Vice President, Advertising and Public Relations
ROBERT R. HOFFMAN	Vice President, Merchandising
ASHTON OSBORNE	Vice President, Merchandising
W. THOMAS POYER	Vice President, Merchandising
ROBERT M. RASMUSSEN	Vice President, Merchandising
CONNOR B. SHAW	Vice President, Merchandising
PAUL H. STROHM	Vice President, Merchandising
REED F. TAYLOR	Vice President, Merchandising
MICHAEL J. USAS	Vice President, Personnel
LESLIE L. WATERS	Vice President, New York Office

Frederick & Nelson Division

ROBERT L. PATERSON	Vice President and General Manager
RICHARD A. DOSS	Vice President and General Merchandise Manager
E. LAMONT McDONALD	Vice President and General Operating Manager

The Crescent
(Spokane Dry Goods Co.)

H. WILLIAM BACON	Vice President and General Manager
EDWARD A. PATTISON	Vice President—Operations
HAYDN P. MORGAN	Vice President—Merchandise

Halle's
(The Halle Bros. Co.)

WALTER M. HALLE	Chairman
CHISHOLM HALLE	President
ALAN L. MARKUS	Senior Vice President and General Merchandise Manager

Real Estate Division

CHARLES M. RHODES	Vice President, Real Estate

Information Systems Division

H. DARRYL HOFFMAN	Vice President, Information Systems

Transfer Agents

CONTINENTAL ILLINOIS NATIONAL BANK
AND TRUST COMPANY OF CHICAGO
Chicago

MORGAN GUARANTY TRUST COMPANY
OF NEW YORK
New York

Registrars

THE FIRST NATIONAL BANK OF CHICAGO
Chicago

BANKERS TRUST COMPANY
New York

STORE DIVISIONS

MARSHALL FIELD & COMPANY CHICAGO STORES DIVISION

Downtown Chicago Store
111 North State Street
Chicago, Illinois

Evanston
1700 Sherman Avenue
Evanston, Illinois

Lake Forest
682 North Bank Lane
Lake Forest, Illinois

Mayfair
One Mayfair Mall North
Wauwatosa, Wisconsin

Oakbrook
One Oakbrook Center Mall
Oak Brook, Illinois

Oak Park
1144 Lake Street
Oak Park, Illinois

Old Orchard
One Old Orchard
Skokie, Illinois

Park Forest
333 Plaza
Park Forest, Illinois

River Oaks
One River Oaks
Calumet City, Illinois

Woodfield Mall
(Under construction)
Schaumburg, Illinois

FREDERICK & NELSON DIVISION

Downtown Seattle Store
5th and Pine Streets
Seattle, Washington

Aurora Village
20218
Aurora Village Square North
Seattle, Washington

Bellevue Square
Bellevue, Washington

Southcenter
Tukwila, Washington

THE CRESCENT SPOKANE DRY GOODS CO.

Downtown Spokane Store
W. 710 Riverside Avenue
Spokane, Washington

Northtown
324 Northtown Shopping Center
Spokane, Washington

University City
100 University City
Spokane, Washington

BUYING FACILITIES

New York City
London, England
Paris, France
Frankfurt/Main, Germany
Athens, Greece
Florence, Italy
Barcelona, Spain
Lisbon, Portugal
Tokyo, Japan
Hong Kong
New Delhi, India
Seoul, Korea
Taipei, Taiwan

HALLE'S THE HALLE BROS. CO.

Downtown Cleveland Store
1228 Euclid Avenue
Cleveland, Ohio

Belden Village
4151 Belden Village Mall
Canton, Ohio

Erie Downtown Store
116-124 West Tenth Street
Erie, Pennsylvania

Erie Plaza
1022 West Erie Plaza Boulevard
Erie, Pennsylvania

Severance
3458 Mayfield Road
Cleveland Heights, Ohio

Shaker Square
13000 Shaker Boulevard
Cleveland, Ohio

Southland
6875 Southland Drive
Middleburg Heights, Ohio

Summit Mall
3265 West Market Street
Akron, Ohio

Westgate
3011 Westgate Shopping Center
Fairview Park, Ohio

COMMERCIAL FURNISHINGS

Contract Sales Divisions
Chicago—201 Merchandise Mart
Cleveland—1228 Euclid Avenue
Seattle—509 Olive Way
Spokane—S. 152 Lincoln